



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Stephen M. Haase  
Larry Lisenbee

**SUBJECT: COYOTE VALLEY SPECIFIC  
PLAN CONSULTANT AGREEMENT**

**DATE:** April 6, 2004

---

Approved

Date

---

Council District: 2  
SNI Area: N/A

## **RECOMMENDATION**

It is recommended that the City Council:

1. Adopt the following Appropriation Ordinance and Funding Sources Resolution amendments in the General Fund:
  - A. Increase the City-Wide appropriation for the Coyote Valley Specific Plan by \$2,000,000; and
  - B. Increase the estimate for Other Revenue by \$2,000,000.
2. Take the following actions in regard to the preparation of the Coyote Valley Specific Plan:
  - A. Approve a consultant agreement with the Dahlin Group land planning and urban design team to prepare the Coyote Valley Specific Plan, Design Guidelines and Zoning Districts for an amount not to exceed \$2,000,000.
  - B. Delegate the authority to approve minor amendments to the consultant agreement to the Director of Planning, Building and Code Enforcement to allow for: 1) minor schedule and/or task changes that are consistent with the City Council's Vision and Expected Outcomes for the Coyote Valley Specific Plan; 2) possible adjustments in the maximum cost to be paid for each task as long as the total maximum amount of compensation does not exceed two million dollars, and 3) extension(s) of the term of this agreement for up to 12 months to ensure the successful completion of this planning effort.



## **BACKGROUND**

In August 2002, the Mayor and City Council initiated the preparation of a specific plan for Coyote Valley. The Coyote Valley Specific Plan (CVSP) area consists of 7,000 acres of mostly undeveloped land in the southern reaches of the City of San Jose. The CVSP area is generally bounded by Tulare Hill to the north, Highway 101/foothills to the east, the City of Morgan Hill to the south, and the hills to the west. It is divided into three sub-areas, each with a different existing land use designation per the San Jose 2020 General Plan: the North Coyote Valley Campus Industrial area, the mid-Coyote Urban Reserve, and the Coyote Greenbelt to the south.

At the time of initiation, the City Council adopted a vision for Coyote Valley consistent with the San Jose 2020 General Plan. Major features of the vision include urban development in North and mid-Coyote of at least 50,000 jobs and 25,000 housing units, of which 20% would be affordable. The urban community should be highly livable, pedestrian and transit friendly with a variety of housing types, schools, parklands, trails, bicycle paths, transit, commercial centers, job centers, and other community services. The southern Coyote Greenbelt is included in the planning effort so as to facilitate its long-term preservation.

The Coyote Valley Specific Plan will identify the location and intensity of land uses, plan for infrastructure and community service needs, formulate financing and implementation programs, and determine the phasing of the plan elements, as necessary. Coyote Valley Zoning Districts and Design Guidelines will also be prepared to give clear direction for future development. As with any major planning effort, an Environmental Impact Report is also required.

The preparation of the Coyote Valley Specific Plan and its environmental documents is an exciting opportunity to design and facilitate the creation of a new community (or “new town”) of 25,000 housing units and 50,000 jobs that is sensitive to its environment, integrates land uses and all modes of transportation, provides affordable housing, and meets other objectives embodied in the San Jose 2020 General Plan. The magnitude of the Coyote Valley Specific Plan is far greater than any specific plan completed to date (e.g., Coyote Valley is over 8 times as large as Evergreen in terms of land area and residential development potential alone). In addition, the issues associated with Coyote Valley are vastly more complex due to environmental opportunities, infrastructure and community facility needs, financing, etc.

In June 2003, the City Council approved a funding agreement with the Coyote Housing Group, LLC to fund the preparation of the specific plan, Environmental Impact Report and other related documents in the amount of \$10.9 million. This action was consistent with City Council budget direction set forth in 2003 that required all new long range planning efforts to be supported with outside funding. The funding agreement includes funding for a land planning/urban design consultant team to complete the specific plan document, design guidelines, and zoning districts for Coyote Valley.

## **ANALYSIS**

The consultant selection process was highly competitive. On October 24, 2003, the Planning staff sent a Request for Proposals (RFP) to approximately 60 firms nationwide, encouraging them to submit creative, cutting-edge proposals to conduct comprehensive land planning and urban design for the Coyote Valley Specific Plan and its related documents. The RFP indicated that the expected products of the Coyote planning effort would include a specific plan, design guidelines, and zoning districts. It also emphasized that the specific plan should provide a realistic and feasible guide to the development of Coyote Valley to a highly livable mixed-use urban community with a variety of uses including housing, parks and open space, commercial and Driving Industry businesses.

On November 28, 2003, nine proposals were received from some of the best land planning / urban design firms across the country. Because of the importance of this project, and the wide-ranging public interest in it, the Planning staff devised a thorough process to select the best qualified consultant team who would bring the required skill sets to develop a model specific plan for the Valley. The selection process was thus divided into three stages:

1. Proposals: The interview panel received nine proposals. Of these, six were advanced to the interview stage. The interview panel consisted of City (Planning and Transportation) and Redevelopment Agency staff as well as a representative of the Coyote Housing Group, LLC.
2. Interviews: Six consultant teams were invited to individual interviews with the interview panel. The interviews were held on December 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> of 2003.
3. Task Force Presentations and Input: Following the interviews, four teams were selected to proceed to the next stage of the selection process. They were invited to make a 15-minute presentation to the Coyote Valley Specific Plan Task Force on their approach to preparing the specific plan for Coyote Valley. The Task Force had an opportunity to ask questions of each team and listen to their responses. The Task Force and community members were encouraged to provide written comments on each team. The written comments resulted in valuable input on each team. The Task Force meeting was held on Monday, January 12, 2004 at San Jose McEnery Convention Center, and attracted more than 100 public participants.

The strongest two teams, led by the Dahlin Group and ROMA Design Group/Calthorpe Associates, were invited to an informal question and answer session with the Coyote Valley Specific Plan Task Force co-chairs on January 16, 2004.

The selection process was extremely competitive, and the final selection was not an easy one. The criteria guiding the selection included:

- Exceptional urban design, planning, and architectural skills.
- Experience in developing large-scale plans.
- Experience with plan creation involving extensive public participation.

- Demonstrated sensitivity to all stakeholders.
- Experience with managing complex projects.
- Understanding the major issues in the Coyote Valley.
- Understanding and a thorough overall approach to accomplish the City Council's Vision and Expected Outcomes for Coyote Valley.
- Demonstrated ability to maintain good working relationships with the Task Force and staff.
- Reliability, as demonstrated in the consultant team's track record with previous projects.
- Computer simulation skills.
- Public presentation and graphic design skills.
- Ability to deliver the plan within the required time frame as demonstrated in the consultants proposed work plan.

Planning staff has decided on a consultant team based on the written proposals, interviews, presentations to the Task Force, responses to Task Force questions, Task Force input on the comment forms, public input on the comment forms, and reference checks. The team consists of the Dahlin Group, Ken Kay Associates, Crawford Multari & Clark Associates, James K. M. Cheng Associates and Development Design Group. This team brings broad experience and ideas to the challenges facing us in Coyote Valley. Specifically:

- Dahlin Group has extensive experience with residential and mixed-use communities that have been built throughout the nation.
- Ken Kay, an original member of the Congress of the New Urbanism, has designed facilities for major employers in Silicon Valley and is well recognized for creating environmentally sensitive plans.
- Crawford Multari & Clark Associates is a renowned expert in form based zoning for mixed-use communities.
- James K. M. Cheng Associates is well known for mid- and high-rise residential development in Vancouver, British Columbia.
- Development Design Group, based in Baltimore, Maryland, specializes in unique retail and mixed-use centers.

In addition, the following technical consultants, most of who were directly contracted by the Coyote Housing Group to conduct the background assessment/existing conditions analysis, have been retained to provide technical assistance to the land planning/urban design team. These consultants are being managed by the Planning staff, but are compensated directly by the Coyote Housing Group. Staff controls their work products and ensures that all assignments are done to the satisfaction of the City.

- Economic and Planning Systems - Economic, fiscal, market and financial feasibility analyses.
- David J. Powers and Associates - Preparation of Environmental Impact Report.
- HMM Engineers - Infrastructure and Civil Engineering.
- Schaaf & Wheeler – Hydrology.
- Wetlands Research Associates - Biological Resources.

- Hexagon – Transportation.
- Lowney Associates - Hazardous Materials.
- Basin Research Associates - Archaeology and Historic Resources.
- Engeo - Geology and Soils.
- Apex Strategies – Facilitation at Community Workshops and Outreach.

A detailed Work Plan (Exhibit A) outlining the key tasks of the land planning/urban design process, and a schedule for performing those tasks is attached to this memo. The work plan includes at least four community workshops and monthly Task Force meetings in order to arrive at a preferred alternative for land use, transportation, open space, and community facilities by September 2004. The community workshops are intended to guide the development of the preferred alternative, and the first of these workshops was held on Saturday, March 13, 2004. The workshops are planned around the following themes: Listening, Conceptualization, Development of three Conceptual Alternatives, and Identification of a Preferred Alternative.

The Task Force is expected to select a preferred alternative in August 2004 with input from the community and Technical Advisory Committee. Then in September 2004, the full City Council will have an opportunity to take public testimony and consider approving the alternative as the basis for the development of the full specific plan, design guidelines, zoning districts, and the Environmental Impact Report (EIR). The EIR scoping would begin after the Council's consideration of the alternative. The staff and consultant team would then work with the Task Force and community on the specific plan document, design guidelines and zoning districts. In the fall of 2005 various City Commissions would hold public hearings on the Coyote Valley Specific Plan with the Planning Commission and Council hearings on the entire Specific Plan package (including the design guidelines, zoning districts, and EIR) scheduled for November and December 2005, respectively.

The City Council is being asked to delegate approval authority to the Director of Planning, Building and Code Enforcement for minor amendments to this agreement, including: 1) minor schedule and/or task changes that are consistent with the City Council's Vision and Expected Outcomes for the Coyote Valley Specific Plan; 2) possible adjustments in the maximum cost to be paid for each task as long as the total maximum amount of compensation does not exceed two million dollars, and 3) extension(s) of the term of this agreement for up to 12 months to ensure the successful completion of this planning effort.

## **PUBLIC OUTREACH**

The Coyote Valley Specific Plan effort involves extensive community outreach as well as discussions with many other governmental agencies. In August 2002, the Council established the Coyote Valley Specific Plan Task Force. To date the Task Force has met 11 times and the public has been welcome at all meetings. Representatives of a wide range of interest groups have also attended these meetings. Last year, two community meetings were held to introduce the public to the Coyote Valley Specific Plan process, and a third one, which occurred on March 13, 2004, drew more than 150 people.

In addition, the Coyote Valley Specific Plan Technical Advisory Committee (TAC), made up of government agencies and non-governmental organizations from the region, has met eight times to discuss the CVSP and provide input to the development of the specific plan. Also, a dedicated website has been established which contains all materials presented to the task force and community to date ([www.ci.san-jose.ca.us/coyotevalley/](http://www.ci.san-jose.ca.us/coyotevalley/)).

An outreach plan that has been reviewed by the Task Force is contained in Exhibit B. Outreach is critical to this process and staff has identified multiple venues for inviting and engaging the public in the Coyote Valley Specific Plan process. These venues include the Task Force, Technical Advisory Committee, community groups, property owners, and other focus groups. Apex Strategies has been retained to provide facilitation and outreach advice throughout the process.

### **COST IMPLICATIONS**

The Coyote Valley Specific Plan project is entirely funded by a group of property owners represented by the Coyote Housing Group, LLC, and has no impacts on the City's General Fund.

### **COORDINATION**

The preparation of this memorandum was coordinated with the City Attorney's Office.

### **CEQA**

Exemption, PP03-06-211.

STEPHEN M. HAASE, DIRECTOR  
Planning, Building and Code Enforcement

LARRY D. LISENBEE  
Budget Director

I hereby certify that there will be available for appropriation in the General Fund in the fiscal year 2003-2004 moneys in excess of those heretofore appropriated therefrom, said excess being at least \$2,000,000.

LARRY D. LISENBEE  
Budget Director

Attachments:

Exhibit A: Work Plan

Exhibit B: Outreach Plan

\\Pbce005\CoyoteValley\_SpecificPlan\CVSP Funding\Coyote Valley Specific Plan Consultant Agreement.doc